

by reason of the adjustments required by the repeal of sections 452 and 462.

§ 1.9000-5 Effect of filing statement.

(a) *Years other than years affected by a net operating loss carryback.* If the taxpayer files a timely statement in accordance with the provisions of § 1.9000-3, the amount of the increase in tax shown on such statement for a taxable year shall, except as provided in paragraph (b) of this section, be considered for all purposes of the Code, as tax shown on the return for such year. In general, such increase shall be assessed and collected in the same manner as if it had been tax shown on the return as originally filed. The provisions of this paragraph may be illustrated by the following example:

Example. A taxpayer filed his return showing a tax liability computed under the methods of accounting provided by sections 452 and 462 as \$1,000 and filed the statement in accordance with § 1.9000-3 showing an increase in tax liability of \$200. The tax computed as though sections 452 and 462 had not been enacted is \$1,200, and the difference of \$200 is the increase in the tax attributable to the repeal of sections 452 and 462. This increase is considered to be tax shown on the return for such taxable year. Additions to the tax for fraud or negligence under section 6653 will be determined by reference to \$1,200 (that is, \$1,000 plus \$200) as the tax shown on the return.

(b) *Years affected by a net operating loss carryback.* In the case of a year which is affected by a net operating loss carryback from a year to which an election under section 452 or 462 applies, that portion of the amount of increase in tax shown on the statement for the year to which the loss is carried back which is attributable to a decrease in such net operating loss shall not be treated as tax shown on the return.

§ 1.9000-6 Provisions for the waiver of interest.

(a) *In general.* If the statement is filed in accordance with § 1.9000-3 and if that portion of the increase in tax which is due before December 15, 1955 (without regard to any extension of time for payment and without regard to the provisions of §§ 1.9000-2 to 1.9000-8, inclusive), is paid in full on or before such date, then no interest shall be due

with respect to that amount. The provisions of this paragraph may be illustrated by the following example:

Example. Corporation M's return for the calendar year 1954 was filed on March 15, 1955, and the tax liability shown thereon was paid in equal installments on March 15, 1955, and June 15, 1955. M filed a statement on December 15, 1955, showing the increase in its tax liability resulting from the repeal of sections 452 and 462 and paid at that time the increase in tax shown thereon. No interest will be imposed with respect to the amount of such payment.

Interest shall be computed under the applicable provisions of the internal revenue laws on any portion of the increase in tax shown on the statement which is due after December 15, 1955, and which is not paid when due.

(b) *Limitation on application of waiver.* The provisions of paragraph (a) of this section shall not apply to any portion of the increase in tax shown on the statement if such increase reflects an amount in excess of that attributable solely to the repeal of sections 452 and 462, i. e., is attributable in whole or in part to excessive or unwarranted deferrals or accruals under section 452 or 462, as the case may be, in computing the tax liability with the application of such sections. Notwithstanding the preceding sentence, paragraph (a) of this section shall be applicable if the taxpayer can show that the tax liability as computed with the application of sections 452 and 462 is based upon a reasonable interpretation and application of such sections as they existed prior to repeal. If the taxpayer complied with the provisions of the regulations under sections 452 and 462 in computing the tax liability with the application of such sections, he will be regarded as having reasonably interpreted and applied sections 452 and 462. In this regard, it is not essential that the taxpayer submit with his return the detailed information required by such regulations in support of the deduction claimed under section 462, but such information shall be supplied at the request of the Commissioner.

(c) *Interest for periods prior to June 16, 1955.* No interest shall be imposed with respect to any increase in tax resulting solely from the repeal of sections 452 and 462 for any period prior to June 16,